

The Hudson Municipal Budget Committee met on Wednesday, November 10, 2021, in the Town Hall Buxton Room.

A. Call to Order

Chairman Weissgarber opened the meeting at 7:00 pm

B. Pledge of allegiance.

Chairman Weissgarber led the Pledge of Allegiance.

C. Attendance

Chairman Weissgarber, Vice-Chairman William Cole, Norman Martin, Ted Trost, Kathy Leary, Grace Hopkins, Selectman Liason Brett Gagnon, School Board Liason Diana LaMothe, and Alejandro Urrutia Clerk.

Members absent.

Shawn Murray (excused) and Robert Clegg (excused)

D. Public Input

None

E. Acceptance of Minutes (November 03, 2021)

Chairman Weissgarber asked for a motion to accept the minutes; Ms. LaMothe indicated that she had corrections but did not have the time to submit them. She asked to postpone the approval of the minutes from November 03, 2021, to the next meeting.

F. Reports from liaisons

a. Select Board

Mr. Gagnon indicated that the Board of Selectmen discussed the petition from the Budget Committee asking the BOS to instruct their Liaisons to abstain from voting during the 2023 budget-related matter was respectfully denied by the Board of Selectmen.

b. School Board

Ms. LaMothe informed the School Board that discussed at their November 4th meeting the request from the Budget Committee asking the School Board to instruct their Liason to abstain from voting on Budget 2023 discussions. No motion was made. The School board indicated that one year's appointed liaison service term is considered liaison having full voting rights. The School Board proposed to have further

discussion. It would make sense to have that after the deliberative schedule is completed and discuss it in terms of with the next liaison would be doing, and also the School Board like that matter to receive public input as well so they are open to discussing it further, but the school board made no motion.

G. SAU 81 FY23 Budget Presentations

Chairman Weissgarber invited Ms. Jennifer Burk, the School Administrator, and superintendent Mr. Lawrence Russell to the table to open the 2023 School budget presentations commencement.

Ms. LaMothe followed up with a request during a previous meeting that was the question about the number of students taking advantage of the Education Saving Account. Ms. LaMothe indicated that going over the Saving Account details is a good way to start and go into the budget details.

Mr. Russell thanked the committee for having the School there to talk about their budget for 2023. Also, Mr. Russell began talking about the Education Saving account approved in the last legislature. Still, without direction from the Department of Education, specifically how to use it. Shortly after the beginning of October, the Department of Education sent out a memo to all the school districts with the withdrawal code necessary for schools to input, so they know that the student was withdrawing from the School. So far, there is a possibility that students who withdrew before that time could have taken advantage of the Education Freedom Account. Superintendent Russell indicated that still SAU 81 doesn't have any knowledge of anyone using it.

Mr. Russell spoke about the state of the district; COVID-19 still has a significant impact. Return to normal has not been how they would hope but is a considerable improvement over what was going on last year. There is full participation in athletics and co-curricular activities that weren't the case last year. Right the School is short-staffed superintendent Russell said, "if we were unable to hold school it would be because of lack of Staffing not necessarily because of an outbreak this is the worst we've ever seen." There is the need for full-time teachers, substitute teachers/ paraprofessionals, Food Service workers, lunch monitors, and custodial staff; across the board, there is the need for all those positions, and that's why we see some vacant positions in the School budget, but the staff is making it happen. Mr. Russell indicated there is a high level of stress and tiredness in SAU 81 right now, but everyone's forging through and doing what's best for kids right now; it's a critical pandemic in a variety of ways teachers at all grade levels are reporting rise on behavioral issues across the state this is something that hasn't seen in the past with significant impact in kindergarten and first-grade.

a. Intro

Superintendent Russell said that the strategic plan is in what the budget is based on, driving everything the School developed over many months in 2019, and we the stakeholders from all over the town. The strategic plan is based on three pillars explained by superintendent Russell. A robust learning

environment in a safe environment and all the equipment needed to operate and solid connections, something that Hudson has always done a great job making Hudson schools a desirable place to learn and work. The last thing is a vibrant Learning System that's what School supports teachers students and prepares them to serve their Community. The School is currently updating the plan and providing the school board with an update in December.

The goals for the School are all about teachers on economic achievement and for the students preparing them to serve their Community afterward. Currently are updating the School plan and will provide the School Board with the update in December. The previous plan was also affected by the attention needed towards covid, and the School continues to do.

Presently, a lot of the time in the administration is dedicated to COVID protocols and the students' behavioral issues. Superintendent Russell indicated that the main driver in updating the School plan for this year is contractual agreements. Right now, five groups are bargaining with Futures contracts, including three negotiations going on at one time. The benefits are part of the negotiations. In addition, there are warrant articles to be introduced to the Budget Committee, and some staffing requests were already presented to the school board.

The executive summary can be seen at the beginning of the Budget Committee book. The historical trend from the fiscal year 2019 until the present is described, and the main drivers of increasing expenses are contractual agreements. The health and dental insurance are budgeted with an increase of 8% for health and 5% for dental. New Hampshire retirement contribution on behalf of the employer is 21.02 percent for a teacher's and 14.6 percent for online teachers. The retirement system does get updated every two years.

Mr. Russell highlighted that technology had been a significant area during the last five years, not only in infrastructure but a one in one system with the students and devices.

About facilities improvements, Mr. Russell said there is much-needed work for the girls' locker room at Hudson Memorial and replacement furniture in some buildings. The School is trying to spread projects overtime to avoid doing all of them at once.

There is a historical enrollment chart in the Budget Committee books because it is an issue every year with the question; if the enrollment declines, why is the budget going up? Mr. Russell indicated that the enrolment stabilized in the last couple of years, and full-day kindergarten is a significant driver.

The potential warrant articles include:

- The three bargaining agreements.
- Partial roof replacement at Nottingham West Elementary School.
- Increased funding of the capital reserve for the School Renovation Fund.
- Property transfer to the Lions Club.

- The renovation of the playground of HO Smith. Superintendent Russell turned the presentation to Ms. Burk to explain the School book and overview the district.

b. revenue

Ms. Burk said that the superintendent ran through the executive summary that we included for this year; she put some pieces together and spoke to what the School was looking at when developing the budget. The books are organized by sections that are the same as those who received the flash drive version of the soft copy.

In the book's index, It's numbered each of the budget pieces, including reference codes with an explanation of function codes and object codes.

Section 6 of the book is dedicated to revenue, and section 7 is about the default budget calculation. Next, there is staffing information and budget from each of SAU 81 departments. Finally, in section twelve of the books, the warrant articles are described. Ms. Burk also said that in section 14 are the federal funds described, including grants that are part of the budget. Section fifteen is about the special service's budget, CTE budgets, information about revolving farm funds. There is ICT information as well.

Chairman Weissgarber, about previous years' budget presentations, commented that more considerable changes, for example, 5% or higher, were explained. Ms. Burk said that a part is dedicated to explaining those changes in each section of the Budget book. Mr. Weissgarber asked if there was an explanation of percentage changes. Ms. Burk explained that a small dollar amount could show a 100% change.

Mr. Weissgarber insisted that still small amounts should be presented. Ms. Burk said that the presenters of each section would explain those percentage changes.

Ms. Burk went over tab six that is the revenue organized by state, and then into local sources other than taxes, federal funds from service, and the categories that could be seen from federal funds and all of the additional funds that are offsetting expenditures.

c. SAU 81

Ms. Burk highlighted some parts of the overview before the Facilities director and IT presented their budgets. She said that the general fund for the operating budget is up 1.37%, \$769,000; Ms. Burk noted there is not a significant increase. The School is mindful of the taxpayers,' and the administrators came up with reasonable requests that they will describe during their presentation. Where grants cover the most considerable changes, explained Ms. Burk. The School has the extra funds, and they are accounting for those within the budget. Large amounts fall under the other funds that are sizable increases, but those are offset by the revenue that we receive from the grant. The School is trying to focus more on the operating budget because that is everything outside of any grants and revolving funds. Ms. Burk highlighted that the operating budget itself is just going up 1.37%. Facilities Revenue

increased operating budget expenses. There is a drop in the revenue side because the building aid the School received for the last 20 years does drop off from the revenue.

The total town appropriation that the School is anticipating is going up by about a million dollars. So, therefore, approximately every \$32,000 in expense is a \$0.01 impact on the tax rate, so this would mean that the increase for somebody with a \$300,000 home would be \$96 in their tax rate.

There are negotiations in three contracts representing about 30% of the district's staff, administrators, secretaries, and part-time paraprofessionals, as well as our food service. Changes to those contracts will be part of the warrant articles. There is an 8% increase in health insurance and 5% in dental insurance. The School's rate from New Hampshire retirement for this current fiscal year does carry into the next fiscal year.

Mr. Martin asked if retirement is just another way for the state of New Hampshire to make up for their lost funding. Ms. Burk explained that specifically concerning the pensions for the employees. No state in the country has 100% funding for their pensions, so they always have some adjustments based on actuarial studies that they have done on the solvency of the funds. So states do have changes made every two years specific to the pension rates for the employers; that's that it is just based on how they evaluate what the existing retirees receive and future retirees would receive.

Ms. Burke continued with her presentation by saying that there is a summary with codes for the budget showing salaries and benefits in the book. Those have in the green section increased by 2.1%, but all the other funds within the general funds have decreased by 1.2%. So the final slide is just a summary by codes was kind of the operational areas that the School has.

Selectman Gagnon asked Ms. Burk to speak about how the School will use American Rescue plan funds.

Ms. Burk indicated that the grants that the School received were very much focused on supplies and materials. However, because the School lost funding from Title One, the School used funds to address some of the students' learning loss over the pandemic; the School brought in some instructional coaches and tutors. Ms. Burk said that there is real value in these services provided to students that would be valuable to continue for them going forward that would be rolled into the operating budget in the future. The superintendent Russell responded to the question done by selectman Gagnon about the criteria to decide what the School wants to keep paying in the future once the funds are no longer available. Superintendent Russell indicated that the School is tracking off using metrics to see if a program is successful. For example, the school board had asked the School years ago what school districts with high achievement have instructional coaches. Still, it's not simple construction due to instructional coaches, but other factors also play. The School uses quantitative metrics to see if condition changes or what the School is doing was or wasn't effective.

d. Facilities

Mr. John Pratte, Facilities Director, began his indicating that the proposed budget for 2023 decreased by 5.9%. The details of the budget are explained in the overview. Mr. Pratte spoke about some works done in the schools, including two AC replacements similar to last two years budget presentation, three-phase window replacement at Hudson-Memorial School, and outsourcing landscaping.

Chairman Weissgarber asked if the Schools have a capital Improvement plan for sau81. Mr. Pratt, there is a Capital Improvement committee with Ms. LaMothe, Mr. Rusell, Ms. Burke, and him. Mr. Pratt has a spreadsheet that outlines a lot of what is in the budget. Mr. weissgarber suggested including information about the Capital Improvement plan. Ms. LaMothe said it would be presented in December to the Scool Board and visible on their web page.

Charman Weissgarber asked if there is a Plan for doing the High School Renovation in sections like doing a safety package first and then tackling another piece of the project.

Ms. LaMothe reminded us that a comprehensive Alvirne renovation extension plan was presented that included the safety features and Auditorium, but it failed after six votes recounting. As a result, the school board decided to focus on safety in the subsequent year, only doing the project in places voters to see the entire renovation done. This year, said Ms.LaMothe during the retreat, the school board unanimously agreed that we would like to move forward with the complete expansion renovation plan.

Mr. Pratte mentioned that the School is trying to do different sections over different years like a three-year plan; they are not doing the same area every year that is why sometimes those numbers fluctuate a little bit from year to year. The Repair budget fluctuates yearly based on what projects are on it for the upcoming fiscal year.

About snow removal, this year contracted with a new vendor. The five-year contract was up with our old vendor. The School we went out to bid, and he went to the school board with the vendor. The price is considerably higher than what the School was paying before.

Mr. Martin questioned Mr. Pratte to explain the percentage and dollar increase in the equipment category of 11.54%.Mr. Pratte said that is a mistake that he thought was already removed. Chairman Weissgarber

needs to be voted by the board to take it out because the budget has already been presented to the Budget Committee. Mr. Trost made the motion to remove from page 15 item 1000 2610 the amount of \$1,500, second by Mr. Martin, and all in favor, the motion passed (9-0-0)

Vice-Chairman Cole had a general question that applies to all departments about how to know about any of the employees what their job description is and the job qualifications. are what does. How and where do we get information, including what's the requirements for the job are. Superintendent Russell

said the Human Resources department has the information available about all employees and job descriptions for each employee. Mr. Russell said they give the job description and where the specific employee works, what they do, and things concerning SAU 81 employees. But, still, the information it's not in a report or a book or anything of that nature. So Vice-Chair considers that not having that is a problem.

Ms. LaMothe noted that there is information that goes into the salaries in the book from SAU 81 collective bargaining agreements and is described on the SAU81 website. Ms. Burk added that information is accessible through HR providing the person's name could be found the position and the date of hire. Hence, how long they've been with the district where they are on the salary schedule, but what they wouldn't be able to find is their background that would have been part of the recruiting process when they were hired.

Vice-Chair Cole asked if a piece of paper tells what the job description is for each employee.

Ms. Burk said that there are job descriptions for all SAU 81 positions and qualifications that the School is looking for during the hiring process. For example, it could be a specific degree for X number of years of experience; these are the School's details for their qualifications or duties.

Vice-Chair Cole asked the superintendent how the Budget Committee could get that information off Job descriptions. Mr. Russell said it is not an electronic way to supply the committee with that information, but a book could be given to the Budget committee with job descriptions.

Ms. Hopkins commented that she could not see what the committee would do with this information, especially since the budget committee has minimal influence on changing salaries and benefits.

Mr. Urrutia asked the superintendent how many employees are working in the SAU; the answer is 750 employees.

Mr. Trost, because of the "Right to Know," supports the motion for discussion, but he does not see a relevance to the Budget Committee. Mr. Trost wanted to know how many job descriptions are; 100 was the answer by Superintendent Russell.

Selectman Gagnon asked for a motion and indicated that he did not support the motion because he did not see the clear intent.

Chairman Weissgarber asked Vice-chair Cole to make a move, but Mr. Cole declined at the time.

e Information Technology (IT)

Mr. Kevin Peterson, IT director, indicated a 2.63% increase over last year's budget under the proposed budget for the IT department. It's \$46,799 additional dollars into the budget; over the past five

started the 1 to 1 point for grades six through 12, so that's where most of the drastic increase is in device costs also, considering IT dept is into of a replenishment cycle. Three to four years usually is the lifespan of the devices. Also, there is an increased cost for both web filtering and also device repair. Peterson explained adding one staff member because 170 employees depend on one technician; this is far from the industry standards. With the addition of one staff member, it'll bring it down 120 staff members to one tech. Also, the IT dept is looking to add a switch at HO Smith due to the maxed-out capacity of the switches. The previous IT director did a great job getting the IT department in a replenishment cycle.

Mr. Peterson explained that the staffing budget increased by \$18,000 and \$55,000 for the ELC, including document cameras, switches, laptops for I Ready in Library and HO Smith schools. Last year the School had

\$150,00 expenses for laptops this year is \$75,000 for teacher laptops. There is a reduction in overall equipment reduction of \$56,000. Software increases by \$20,000 at expenses of software, content filter. The E-sign documents software was added to the IT budget before ESSER funds covered it.

Mr. Martin asks about software for the teachers to monitor what the students are doing on their computers to avoid the students going into risky situations. Mr. Peterson said that talking about this issue with teachers, he considers this issue a critical issue. Mr. Marti asks why this is not included in the budget for this software. Superintendent Russell, some teachers' concerns could distract the teacher from monitoring the students all the time. Still, Mr. Russell does not consider that is a legitimate concern. Mr. Martin asked Mr. Peterson how much that software's cost is to be used in High School and Middle School. Due to that in principle, Mr. Peterson did not have it in his budget just checked one vendor, and the cost is around \$10,000 for the district.

Mr. Martin moved to add to 00028050, line 18 classroom management software \$25,000 to be sure when the IT go-to betting for Classroom Management software there is enough money to acquire it. Selectman Gagnon second it for discussion. Selectman Gagnon strongly supported this addition but asked if there was another way to fund the software. Mr. Peterson indicated that he is not aware of another way to fund the acquisition of Classroom Management software.

Mr. Trost said that every year there is an overbudgeting for schools; there is money left over that the school end expending on projects that should be budgeted in the first place compared to more than a million dollars leftover last year \$20,000 is nothing in comparison. Still, for that reason, Mr. Trost does not support the motion. Mr. Peterson said that that was in the budget but was removed. Ms. LaMothe explained that it is of great value because the teachers need to have that kind of control. Also, during a parent-teacher conference, the teacher could review with the student's parent what the student does during the class, but the majority of the School Board, in a vote of 3-2, voted to remove it from the School budget.

Chairman Weissgarber asked if it was a one-time cost, Mr. Peterson said that would be a recurring cost. Based on the evident value of this software but concurring with Mr. Trost, selectman Gagnon proposed to hold the vote on this issue to see if during the following days the School could move money around to cover the expenses of acquiring Classroom Management software.

Mr. Martin Dropped the motion.

H. Other Business/Comments/Disconnect

Ms. LaMothe mentioned that the explanations provided were very well-articulated and have helped her understand the budget, and she appreciates all the extra time the School dedicated to that.

Ms. Leary reiterated what Ms. LaMothe said.

Chairman Weissgarber thanks everybody

I. Adjournment

Mr. Made the motion to adjourn, Second by Ms. Hopkins passed unanimously

